

[REPUBLIC ACT NO. 2609, July 16, 1959]

**AN ACT TO AUTHORIZE THE CENTRAL BANK OF THE
PHILIPPINES TO ESTABLISH A MARGIN OVER BANKS' SELLING
RATES OF FOREIGN EXCHANGE.**

Be it enacted by the Senate and Home of Representatives of the Philippines in Congress assembled:

SECTION 1. The provisions of .any .law to the contrary notwithstanding when.and as long as the Central Bank of the Philippines subjects all transactions in gold and foreign exchange to licensing in accordance with the provisions of section seventy-four of Republic Act Numbered Two hundred sixty-five, the Central Bank, in respect of all sales of foreign exchange by the Central Bank and its authorized agent banks, shall have authority to.establish a uniform margin of not more than forty per cent over the banks' selling rates stipulated by the Monetary Board under section seventy-nine of Republic Act Numbered Two hundred sixty-five, which margin shall not be changed oftener than once a year, except upon.the recommendation of the National Economic Council and the approval of the President. The Monetary Board shall fix the margin at such rate, as it may deem necessary to effectively curtail any excessive demand upon the international reserve.

In implementing the provisions of this Act, along with other monetary, credit and fiscal measures to stabilize the economy, the monetary authorities shall take steps for the adoption of a four-year program of gradual decontrol.

SEC. 2. The margin established by the Monetary Board pursuant to the provision of section one hereof shall not be imposed upon the sale of foreign exchange for the importation of the following:

- I. DRUGS AND MEDICINES
 - a. Amebacides, except emetine preparations.
 - b. Amino acid preparations and analgesic poultices.
 - c. Anaesthetics, all types.
 - d. Antiacids, absorbents, and preparations.
 - e. Antibiotics and preparations, except dosage forms of penicillin, streptomycin and/or combinations.
 - f. Anticholinergic preparations.
 - g. Anticoagulants.
 - h. Anti-leprosy preparations.
 - i. Antimalarials, except quinine preparations.
 - j. Antispasmodic, anticonvulsant, and sympathomimetic preparations.
 - k. Antitoxins, vaccines, sera, toxoids, and antigens.
 - l. Homogenized baby foods.
 - m. Diagnostic and laboratory reagents.
 - n. Digitalis and preparations.

- o. Drugs (crude or otherwise), chemicals (simple or compound) for pharmaceutical manufacture or chemicals to be used for the manufacture of insecticides and pesticides when, in both cases, imported by duly licensed laboratories or manufacturers.
- p. Drugs and medicines for the use of the dental and veterinary professions.
- q. Ergot and preparations.
- r. Fumigants, disinfectants, insecticides, pesticides and preparations.
- s. Gland products and synthetic substitutes.
- t. Hemostatica for topical use.
- u. Hexylresorcinol preparations.
- v. Insulin, all forms.
- w. Liver extract.
- x. Mercurial diuretics.
- y. Narcotics and hypnotics, natural or synthetic, and preparations.
- z. Pharmaceutical glassware and containers not manufactured locally.
- aa. Plasma.
- bb. Saccharin and substitutes.
- cc. Salt substitutes.
- dd. Steroids and preparations.
- ee. Surgical antiseptics.
- ff. Vitamins.
- gg. Other drugs and medicines which are not mere substitutes of those locally produced, and not yet commercially available, authorized by the Secretary of Health each year upon the recommendation of the Philippine Medical Association, and the Philippine Federation of Private Medical Practitioners: *Provided*, That the Secretary of Commerce and Industry shall certify as to their not being commercially available.

II. MEDICAL, DENTAL AND HOSPITAL SUPPLIES

- a. Adhesives, plasters, bandages, gauzes, and dressings.
- b. Cottons, absorbents or synthetics substitutes.
- c. Dental instruments, equipment and supplies.
- d. Diagnostic instruments.
- e. Hospital and surgical rubber goods including catheters, and plastic venoclysis sets.
- f. Electro-medical therapy equipment.
- g. Optometric instruments and supplies.
- h. Surgical and medical instruments, equipment and supplies, artificial limbs and splints, including operating lights and sterilizers, except examining and treatment tables.
- i. X-Ray equipment, films and supplies, including contrasts media.
- j. Radium and radioactive materials for therapy.
- k. Spare parts for dental electro-medical, therapy and X-Ray equipment.
- l. Supplies and equipment to be used for the collection and administration of blood.

III. Fertilizers and soil conditioners and fertilizers components